January 12, 2007

Client:

Russell and Lesa Jaffe 13304 W. Stella Lane Litchfield Park, AZ 85340

Property Location:

13304 W. Stella Lane Litchfield Park, AZ 85340

Re: Inspection

TECHNOLOGIES INC.

Dear Russell and Lesa:

Thank you for requesting inspection services for your home.

The purpose of this inspection was to document the areas of structural movement and damage. The following report details those areas of the home that have experienced structural movement. We have included photographs to help explain our findings.

Movement has occurred in the form of drywall cracks, stucco cracks, door alignment and loose floor tiles. Signs of movement appear predominantly at the center core of the home and the east side. This foundation is a post tension type and it is our opinion that the movement to this home is not cosmetic and is a major concern needing investigation by the original contractor and correction.

We recommend that this report be forwarded to the original contractor(s). If you have any questions regarding this inspection report, please call.

Sincerely,

NEST TECHNOLOGIES, INC.

Dan P. Smith

1. KITCHEN

- ♦ The kitchen east wall has diagonal drywall movement cracks at top north and south corners and lower south corner
- The kitchen floor tiles are hollow sounding (not fully bonded to concrete)
- Six tiles at bottom of stairs are missing due to "peaked" tiles that came loose
- The kitchen east wall countertop backsplash has separated from the wall
- The kitchen east exterior wall below south side of window has a three foot vertical crack
- ♦ The kitchen east exterior window above top south corner has three diagonal cracks three to four feet long

2. BREAKFAST NOOK

- ♦ The breakfast nook east wall between kitchen window and south fixed window has a 12" diagonal crack and a 30" vertical crack
- The southeast vertical wall corner under bar top has a hairline crack
- ♦ The east wall baseboard has separated from wall 4' north of south corner
- ♦ The east wall has a 16" concrete diagonal crack at bottom north side of north window with a horizontal 16" crack below to north corner
- The east wall has a horizontal crack from north corner 10' south at 4' high
- The east wall has three small drywall cornerbead cracks at east windows
- The breakfast nook floor tiles are hollow sounding (not fully bonded to concrete)

3. GARAGE

- The garage west wall has a 4' horizontal crack and moisture stain at north end
- ♦ The garage northwest wall corner has a vertical drywall crack from 4' to ceiling
- ♦ The garage roof to wall transition at the northwest corner of garage is allowing water entry into interior

4. FAMILY ROOM

• The north wall at top east corner of east window has a 6" horizontal crack

5. POWDER ROOM

♦ The top north corner of west wall window has a 6" diagonal crack

6. FOYER

- ♦ The entry door wall (southwest) has a vertical 10" crack above west side of top window
- A moisture stain is visible at southwest wall between windows
- The southwest wall between windows has a vertical crack at east side

7. UPPER HALLWAY

♦ The ceiling at peak has a 16" long drywall crack at west end

8. UPPER LOFT

- ♦ Drywall crack (4") at top east side of arch to game room
- ♦ The south wall has an 8" diagonal crack at top east corner of window
- The south wall has a 12" diagonal crack at bottom west corner of window

- The south wall at west vertical cornerbead has a crack
- ♦ The loft ceiling at west side has a 5' north to south crack

9. UPPER GAME ROOM

- The north ceiling along north wall has 26 nail pops (below east to west girder truss)
- The north wall at top east side of arch has a diagonal/vertical crack from arch to ceiling

10. UPPER HALL BATHROOM

♦ The east wall at bottom north corner and top south corner of window has 2" long diagonal cracks.

11. UPPER NORTHEAST BEDROOM

- ♦ The east wall has a 9' long horizontal crack at 4-1/2 high and a vertical 4' concrete crack 30" north of south wall
- The entry door is ½" out of alignment with jamb at top and lock won't latch
- ♦ A horizontal crack at top east side of door 12" long

12. MASTER BEDROOM

♦ Ceiling peak at east end has an 8" crack



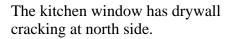
View of the diagonal stucco cracks above the kitchen east exterior wall above window at south side.



The kitchen floor tiles at base of stairs have come loose.



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The kitchen window drywall is cracked between window sill and countertop.



The top south side of the kitchen window has diagonal drywall cracking.



The breakfast nook east wall at north end has a horizontal and diagonal drywall crack.



View of the breakfast nook east wall horizontal crack.



The kitchen countertop backsplash has separated from the wall.





The garage west interior wall has drywall movement cracks and a moisture stain at the north end.



The garage northwest roof to wall transition is allowing water entry.



View of the kitchen and breakfast nook floor.



View of the kitchen looking south from the breakfast nook.



The family room northeast wall corner has drywall cracks.



The upper hall/master bedroom ceiling peak at east end has a drywall crack.



The northeast bedroom east wall has horizontal and vertical drywall cracking.



View of the northeast bedroom east wall drywall cracks.



View of vertical crack and moisture stain at foyer wall between windows.





View of drywall crack at upper game room arch.



View of upper game room north wall.



The upper game room ceiling has multiple drywall nail "pops" along north wall.



Close up of concrete in kitchen at base of stairs.



View of the southeast side of the house.



The northeast bedroom entry door area has a drywall crack.





The northeast bedroom entry door is out of alignment with the top jamb.



This report has been produced in accordance with our signed contract and is subject to the terms and conditions agreed upon therein. All printed comments and the opinions herein are those of Nest Technologies Inc.